



## Minutes

**Thursday, April 6, 2006**

Virginia Information Technologies Agency (VITA) Auditorium  
110 South Seventh Street, Richmond, VA

## Attendance

### Members Present:

The Honorable Aneesh Chopra  
James W. Hazel  
Hiram R. Johnson  
Kenneth S. Johnson, Sr.  
Walter J. Kucharski

James F. McGuirk, II, Chair  
Mary Guy Miller, Ph.D.  
Leonard M. Pomata  
Alexander "Sandy" Thomas

### Member Absent:

Scott D. Pattison

### Others Present:

Lemuel C. Stewart, Jr., Chief Information Officer of the Commonwealth  
John Westrick, Office of the Attorney General  
Marcella Williamson, ITIB Executive Director

## Call to Order

Chairman James F. McGuirk, II, called the meeting of the Information Technology Investment Board (ITIB) to order at approximately 9:07 a.m. He asked Marcella Williamson to call the roll. The presence of a quorum was confirmed.

Chairman McGuirk said that each year, Government Technology Magazine names its Top 25 Doers, Dreamers & Drivers. He said these 25 honorees are individuals who are redefining and advancing technology's role in government and society. One of this year's honorees was selected for:

- Improving governance of IT investments in Virginia;
- Engineering the successful transition of staff and resources from 90 agencies into one organization; and,
- Shaping a partnership that will move state government's IT infrastructure into the 21<sup>st</sup> century, bringing jobs and economic development to the Commonwealth.

He asked the Board and those attending to join him in congratulating CIO Lem Stewart for being honored as Government Technology Magazine's Top 25 Doers, Dreamers & Drivers.

Chairman McGuirk explained that under the new meeting format, the ITIB would discuss strategic direction in the morning session, and move to operational matters in the afternoon. He said, however, that if the morning session moves along, the Board will take up the afternoon agenda.

## RTIP

Constance Scott made a presentation on the status of the ITIB Recommended Technology Investment Projects (RTIP) Report, which must be submitted by September 1, 2006, to the Governor and General Assembly.

She presented a report schedule, outline, selection criteria, and a crosswalk with the Joint Legislative and Review Committee (JLARC) report, Auditor of Public Accounts (APA) recommendations, and Governor's 2002-06 strategic plan.

Mr. Pomata asked if the rating process will be the same. Ms. Scott said the project weighting will not change. She said the two heaviest weighted categories are strategic alignment and benefits to the Commonwealth.

Ms. Scott said VITA has been working with the office of the Secretary of Technology to obtain the current administration's initiatives that might impact IT and the RTIP.

One item still on the table is to try to establish a capital funding process for major IT projects, she said.

She said she believes the RTIP report covers what the Code and JLARC report require, but funding needs to be put in place. Mr. Kucharski asked for clarification. Ms. Scott said IT projects cross the two-year biennium and funding is outlined for only at the two-year period. With implementation of a capital funding process, similar to what the Commonwealth uses for buildings, the total would actually be outlined in the budget. Mr. Kucharski said the total cost of the project is being considered, and General Assembly members are questioning the total cost of major projects. He said they want to know the "bottom line" and that the enterprise architecture (EA) proposal is an example. He noted that \$450 million in bonds were sold for the State Police radio system because the General Assembly is looking at total cost. He said there is a requirement in the General Assembly that an executive summary be filed, and suggested that Ms. Scott prepare a one-page brief on the top 10 projects and what they will cost in total after the ITIB determines the projects.

Mr. McGuirk said he believes the RTIP report provides a list of projects that ITIB is endorsing for funding. He said he wants the RTIP report to show the project, the benefits and what it's going to cost; and that the ITIB should be involved in recommending how to budget for such projects. Mr. Pomata agreed that the ITIB recommend what the investment process include funding for projects. Mr. McGuirk said the ITIB should look at the projects with the greatest benefit, whether the cost involved is clear, and how it will be funded. Mr. Kucharski said JLARC intentionally used the word "investment" when talking about the ITIB. He said JLARC wants the ITIB to recommend a funding source, no matter how creative just like with the PPEA on IT infrastructure and not just for big projects. Mr. McGuirk said the ITIB has not been looking at the "investment" portion of funding projects. Mr. Pomata said the ITIB has been struggling with that aspect. Mr. Kucharski said that if projects save money, that money should go into a funding pool for IT projects instead of being retained in agencies where it is spent on other projects. He also said that if the ITIB knows a way to fund a project that would save money, that's the way it should go. Mr. McGuirk said there are three steps: look at projects with the greatest benefit, understand the cost involved in

the project, and create alternative funding sources. He said the ITIB has not been recommending alternative or creative financing.

Mr. McGuirk said the ITIB and VITA currently only use funding recommended by the agencies and are not creating alternative funding sources, which is part of the ITIB mandate.

Mr. Stewart said a few agencies have recommended one way the ITIB could add value is to recognize opportunities across multiple agencies and determine funding such as bonds. He said IT will not be at the level of importance of transportation, education or public safety, and should not be, and that creative funding mechanisms must be found and supported in the General Assembly to make more rapid change in IT.

Mr. McGuirk said emphasis should be on total cost and that the ITIB must think more about the funding source and see if the ITIB can add value.

There was discussion about how to ensure that all IT projects are included, particularly in light of the enterprise architecture project continuing without the ITIB's oversight. Mr. McGuirk noted that the EA project was on a separate track outside ITIB purview. Mr. Kucharski said the EA was in the back of the report and not recommended for funding, and that when EA got underway there were questions about where it was in the report. Mr. McGuirk said the EA project did not meet the criteria because appropriate guidelines were not followed. Mr. Pomata asked that enterprise applications projects be included.

Secretary Chopra made a motion, seconded by Mr. Pomata, as follows:

*I move to approve the RTIP 2006 schedule and outline as presented, and that the ITIB continue to pursue and sponsor a capital funding process for major IT projects.* The motion was approved on a voice vote.

## Commonwealth Strategic Plan for Information Technology

Paul Lubic introduced members of the Strategic Plan Work Group who were present: Dave Burhop, Department of Motor Vehicles; Debbie Dodson, VITA; Jan Fatouros, Department of General Services; Darlene Quackenbush, James Madison University; Jerry Simonoff, VITA; and himself. He said others wanted to attend, but were unable to do so. Fifteen people served on the work group. He also recognized John Wheatley and Jane Conroy, International Consulting Services LLC, who help guide the strategic planning effort.

Paul Dodson said the 2007-11 plan was developed with the input of more than 150 stakeholders, including state agency, business and IT leaders; higher education CIOs; and citizen and business representatives participated in its creation.

Mr. Dodson said the plan had four requirements: to align with the state's eight long-term objectives established by the Council on Virginia's Future and the planning processes of the Department of Budget and Planning; to be a Commonwealth plan; set a vision and practical direction for IT in the Commonwealth; and must be a plan that can be implemented.

Mr. Dodson said the plan has direct links between input from stakeholders and goals and objectives of the plan. He said the inclusiveness and collaboration will continue with stakeholders involved as the plan matures.

The plan is designed to provide technology direction and guidance for state agencies and institutions and to provide a foundation upon which to base IT investment decisions that are

supportive of Virginia's business direction. It will be available to state agency decision makers and finance managers to reference as they prepare their strategic plans and budgets. The plan identifies commonalities and demonstrates where Commonwealth entities can employ strategies collaboratively. The overall outcome will be a more streamlined, responsive, effective, and efficient government with documented and demonstrated results.

He said performance measurements are a significant aspect of the plan and follow the DPB process using outcome measures. Mr. Dodson said as the plan matures and is implemented, baselines and performance history will evolve and measures and related targets likely will change. Now, he said, there is a need to focus on initiatives. Mr. Dodson pointed out possible ITIB implementation vehicles set out in a table for the Board. He said the strategic plan is linked to ITIB Code responsibilities.

Mr. Dodson said the implementation program will be developed by a workgroup of stakeholders and be presented at the ITIB's July meeting.

Discussion followed on how the strategic plan ties to the RTIP.

Secretary Chopra said the ITIB should proactively initiate opportunities and not just respond to agency requests.

Mr. McGuirk noted that when the ITIB originally started the idea of architecture, the ITIB went through enterprise business architecture – not infrastructure architecture – but one of issues was that the agencies didn't like the ITIB being involved in their business architecture. He said that the only way to apply technology is to track it with the business approach to solve business problems. He said that it is apparent in the strategic plan. He said the ITIB talked about commonalities of work in the Commonwealth, and even brought those forward before. He said the ITIB still is trying to determine how to get effective enterprise projects going forward across the Commonwealth, but must do so.

Dr. Miller asked if one agency has a good enterprise solution, can the ITIB move that across agencies if it is determined to be a sound application. Mr. McGuirk said he believes the ITIB has the authority.

Mr. Thomas said agencies don't believe it's their responsibility to gather other agencies and find common solutions. He asked whose job it is to do so.

Mr. Kucharski said VITA is customer-oriented because it provides a service, but VITA's role is changing. He said the Service Management Organization in VITA will be the ombudsman for customers, and VITA will deal with the concept of the Commonwealth Strategic Plan for Information Technology. The ITIB's customer is the Commonwealth, not agencies, he said. Mr. Kucharski said the focus should be taking the opportunity to go out and develop opportunities to benefit the Commonwealth, and that is the ITIB's job.

Secretary Chopra said the plan is one of the most elegant he has seen in its design and sets up a link with the Council on Virginia's Future. He also said it might be necessary to tightly define the response that is within VITA's scope and place non-VITA activities in a "parking lot."

Mr. Ken Johnson said he wanted to see individual accountability with the plan.

Mr. Dodson said only 20 percent of the initiatives are VITA-only projects.

Mr. McGuirk said VITA has the Commonwealth-wide role in relation to IT. He said there are many other organizations within the Commonwealth that should be involved in these projects. He said he is interested in who has the accountability and who is moving that accountability forward. Mr. McGuirk said an action plan should include the individual responsible, but the implementation plan must involve others, including the EA board, Council on Virginia's Future and others. He said while long-term objectives should not change, the implementation plan can be a changing plan that can adapt. He said the ITIB should be more proactive and begin putting actions in place.

Mr. Pomata made a motion, seconded by Mr. Ken Johnson:

*I move that the ITIB approve the Commonwealth Strategic Plan for Information Technology and that the Board address the implementation plan at the July meeting.* The motion was approved on a voice vote.

There was applause for the adoption of the plan.

Mr. McGuirk said that the ITIB appreciates all the hard work that went into the plan. Mr. Hiram Johnson thanked those involved for bring the issue up for discussion and putting the board in the position to do the things it should have been doing.

## Approval of the Minutes

Chairman McGuirk introduced the draft meeting minutes from the February 9, 2006, board meeting. Secretary Chopra moved the minutes be approved. Mr. Thomas seconded the motion. The minutes were approved by unanimous vote.

## CIO Status Report

Chief Information Officer (CIO) of the Commonwealth Lemuel C. Stewart, Jr., provided a status report to the Board. Topics of his presentation included:

- Highlights since the last meeting, including submission of the quarterly report; an employee dialogue that included Northrop Grumman representatives; the distribution of in-scope and out-of-scope to the partnership letters to employees; nine regional Northrop-Grumman meetings across the Commonwealth with employees; and a report on a proposal to have emergency services centers cooperate in Southwest Virginia.
- An audit update, report on security statistics financial results, and the VITA to-be organization design.
- An overview of results of the University of Virginia (UVa) VITA customer satisfaction survey.
- Key focus points for next quarter, including the customer survey and audit action plans, partnership planning and transition, retained organization, audit recommendations, IT Infrastructure Partnership approval, E-911 southwest emergency service center, service memoranda of understanding, security and project management rates, communications programs, VGIN and disaster recovery.

Mr. Ken Johnson expressed concern about opportunities for the small, woman and minority-owned (SWAM) businesses. Secretary Chopra said VITA is recognized for its SWAM efforts

and is serving as a support vehicle to encourage more SWAM activity across the Commonwealth.

The Board adjourned for lunch at approximately 12:15 p.m.

The Board reconvened at 1 p.m.

## Committee Reports

Chairman McGuirk called for committee reports.

### Commonwealth IT Solutions

Commonwealth IT Solutions Chair Secretary Chopra reported the committee has had two meetings. The first meeting, he said, largely was a fact-finding and data-gathering exercise. The former CIO of Michigan, and the CIOs from Dominion and Genworth presented best practices for enterprise solutions. The second meeting provided an opportunity to reflect on current projects in place across the enterprise. Two, he said, are marked "red." He said problems have been identified and opportunities for correction.

Secretary Chopra said the committee also reviewed current methodology for project management and the committee's role in the coming months.

### Executive Evaluation and Governance

Executive Evaluation and Governance Committee Chair Dr. Miller said priorities of the 2006 CIO Objectives will be reorganized and weighted by the CIO this month and provided to the committee.

She reported that at the February ITIB meeting, a motion was approved to grant a bonus to the CIO contingent upon the Governor's approval. The Chief of Staff indicated that the Governor's approval may not be required. As this is resolved it is clear that the ITIB wishes to reward the CIO's performance with a bonus, therefore, Dr. Miller made the motion, seconded by Mr. Pomata:

*On February 9, 2006, the Board granted a 5% bonus to the Chief Information Officer, contingent upon the approval of the Governor. I understand there is some question about whether the Governor's office considers such approval necessary. I move that the bonus be paid either upon such approval or if the Governor's office instructs us that his specific approval is not required for bonuses granted under Appropriations Act 4-6.01 (c) (2b)."*  
The motion was approved on a voice vote.

Dr. Miller said the committee had an overview of the UVa VITA Customer Survey. She said the Committee asked that additional information be culled from the survey results by UVa, including:

- Whether agency heads and IT directors have similar or opposing views of VITA's performance
- The differences in responses between large, medium and small agencies.

She said the Committee asked that UVa query those who didn't respond to ask why. In addition, the Committee will provide guidance in refining the survey for the next cycle.

The Committee received a briefing of VITA's planned retained organizational structure. The structure will provide a foundation for service management and operational excellence by aligning to the strategic and service management vision. This will include:

- Clear roles, responsibilities and accountabilities;
- Processes mapped and prioritized for re-engineering;
- Performance management framework; and,
- Implementation roadmap for service commencement date and beyond.

## Finance and Audit

On behalf of Chair Scott Pattison, Mr. McGuirk presented the Finance and Audit Committee report. Finances are on track, he said. He said the Committee keeps seeing dates slip on the Corrective Actions Plan. He said that the Committee directed that responsible individuals be named for each action and that realistic dates be established to instill accountability. If the new dates slip, the Committee wants information about the action and discussion of why the due date is not met. He said the plan will be revised and presented for approval.

## IT Infrastructure

IT Infrastructure Chair Len Pomata reported that the VITA and Northrop Grumman team presented a status report, with service commencement scheduled July 1, 2006, and that employees will get offer letters on May 1, 2006, pending General Assembly approvals. He said the risk is that if the state doesn't have a budget by April 30, 2006, some items will not line up with the projected dates.

Mr. Pomata made a motion, seconded by Dr. Miller, as follows:

*I move that the ITIB accept the charter for the IT Infrastructure Partnership as updated.*  
The motion carried on voice vote.

## Legislative Affairs

Chair Jimmy Hazel said the Legislative Affairs Committee did not meet because the bulk of its work was completed during the General Assembly session. He said an extreme effort has been made over the past two years to help members of the General Assembly understand what the ITIB and VITA are trying to do and that there is better support of efforts of the ITIB and VITA. He said a couple of bills still are being watched.

## Other Business

Mr. McGuirk noted that one goal of the new committee and board structure is for the committees to go into more detail in their specific areas, and that committees may have to more often than the ITIB meets.

## Public Comment

Chairman McGuirk solicited public comment. No one made comments to the ITIB.

Mr. Hiram Johnson made a motion, seconded by Secretary Chopra:

*I move that the Board now go into closed session pursuant to Virginia Code Section 2.2-3711 (a) (1) for the purpose of discussing specific performance personnel at VITA particularly actions they have taken in regard to staffing VITA retained organization and pursuant to Section 2.2-3711 (a) (7) for the purpose of consulting with legal counsel regarding compliance with the Freedom of Information Act in conducting the closed session.*

Chairman McGuirk asked Ms. Williamson to conduct a roll call vote on the motion. The vote was unanimous to approve the motion.

The Board recessed to go into executive session. The Board returned at 3:10 p.m. and confirmed by roll call that only the subjects in the motion calling for a closed session were discussed.

## **Adjournment**

Len Pomata moved to adjourn the meeting. Hiram Johnson seconded the motion. Chairman McGuirk adjourned the meeting at approximately 3:16 p.m.